

House Bill 203 (AS PASSED HOUSE AND SENATE)

By: Representatives Royal of the 171<sup>st</sup>, Williams of the 4<sup>th</sup>, McCall of the 30<sup>th</sup>, Hanner of the 148<sup>th</sup>, Roberts of the 154<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

To amend Code Section 48-5-41.1 of the Official Code of Georgia Annotated, relating to agricultural products and equipment exempt from ad valorem tax, so as to expand the ad valorem exemption for farm equipment to include certain equipment held under a lease purchase agreement; to provide for a referendum, applicability, and effective dates; to provide for automatic repeal under certain circumstances; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Code Section 48-5-41.1 of the Official Code of Georgia Annotated, relating to agricultural products and equipment exempt from ad valorem tax, is amended by striking subsection (c) and inserting in its place a new subsection (c) to read as follows:

"(c) Farm tractors, combines, and all other farm equipment other than motor vehicles, whether fixed or mobile, which are owned by or held under a lease purchase agreement and directly used in the production of agricultural products by family owned qualified farm products producers shall be exempt from all ad valorem property taxes in this state."

**SECTION 2.**

Unless prohibited by the federal Voting Rights Act of 1965, as amended, the Secretary of State shall call and conduct an election as provided in this section for the purpose of submitting this Act to the electors of the State of Georgia for approval or rejection. The Secretary of State shall conduct that election on the date of the November, 2006, state-wide general election. The Secretary of State shall issue the call and conduct that special election as provided by general law. The Secretary of State shall cause the date and purpose of the special election to be published in the official organ of each county in the state once a week for two weeks immediately preceding the date of the referendum. The ballot shall have written or printed thereon the following:

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1     "( ) YES     Shall the Act be approved which expands the ad valorem tax exemption  
for agricultural products and equipment to include certain additional  
2     ( ) NO     farm equipment held under a lease purchase agreement?"

3 All persons desiring to vote for approval of the Act shall vote "Yes," and all persons desiring  
4 to vote for rejection of the Act shall vote "No." If more than one-half of the votes cast on  
5 such question are for approval of the Act, then Section 1 of this Act shall become effective  
6 on January 1, 2007, and shall apply to all taxable years beginning on or after that date. If  
7 Section 1 of this Act is not so approved or if the election is not conducted as provided in this  
8 section, Section 1 of this Act shall not become effective and this Act shall be automatically  
9 repealed on the first day of January immediately following that election date.

10 SECTION 3.

11 Except as otherwise provided in Section 2 of this Act, this Act shall become effective upon  
12 its approval by the Governor or upon its becoming law without such approval.

13 SECTION 4.

14 All laws and parts of laws in conflict with this Act are repealed.